

10/1/14

Bulletin No. 14-24

P-2590 A1

P-2590 Reference Materials

A. Calculating Net Income

1. Standard Deduction (Effective 10/1/14)

The standard deduction varies by household size:

\$155 for households of 1 to 3 members

\$165 for households of 4 members

\$193 for households of 5 members

\$221 for households of 6 or more members

2. Basic Medical Liability (Effective 1/1/81)

The base amount for medical liability is \$35. Refer to section 273.9(d)(3) of the 3SquaresVT.

3. Dependent Care Maximum Deduction (Effective 10/1/09)

There is no cap on the dependent care deduction for 3SquaresVT/Food Stamp Program.

4. Shelter Cost Maximum Deduction (Effective 10/1/14)

The maximum deduction for households without elderly or disabled members is \$490.

5. Fuel and Utility Standards

	<u>Effective 10/1/14</u>	<u>10/01/13 – 9/30/14</u>
With heat or cooling	\$ 805.00	\$ 771.00
Without heat	\$ 230.00	\$ 221.00
Phone only	\$ 36.00	\$ 36.00

See P-2510 E on selecting the correct standard and ACCESS manual - STAT 5.14 (UTIL Panel) and STAT 5.17 (PHON Panel) for ACCESS-related information.

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P-2590 Reference Materials

A. Calculating Net Income (Continued)

6. Business Expenses - Providing Day Care Meals (Effective 10/1/14)

A recipient providing day care for other children in his or her own home is entitled to deduct, as a business expense from earned income, the cost of meals and snacks provided to those children. Use the following standard deductions or actual documented expenses, if higher.

Breakfast	\$1.31 per day		Dinner only	\$2.47 per day
Lunch only	\$2.47 per day		Snack	\$.73 per day

In cases that have documented non-meal related expenses, do the following:

- Manually figure the total monthly meal expense using the higher of the standard deduction table or the actual verified expenses. Convert weekly (bi-weekly) expenses to a monthly figure.
- Figure the monthly total for non-meal related expenses.
- Add a) to b) and enter the total in the ACTUALS field on the DCIN panel. For these cases the entries in the meals fields will be disregarded and the amount in the ACTUALS field used.

Business Expenses - Providing Room and Board (Effective 10/1/14)

The following table outlines the monthly business expenses allowance for room and board. If the client provides documentation of separate identifiable costs of providing room and/or board that exceed the applicable table amount, allow the higher amount. In no case, however, may the business expense allowed exceed the amount of gross income received from the roomer and boarder.

ACCESS		Group Size					
Code	Type	1	2	3	4	5	6+
1	Room Only	162	298	427	542	644	772
2	2/3 Board	129	238	341	433	514	617
3	Board Only	194	357	511	649	771	925
4	Room and 2/3 Board	291	536	768	975	1158	1389
5	Room and Board	356	655	938	1191	1415	1697

If five or more roomer/boarders are in one payment group, the case should be handled FIAT. The RBIN panel allows only four roomer/boarders per panel. Splitting one payment onto two RBIN panels results in an incorrect business expense deduction.

4/1/95

Bulletin No. 95-9

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P-2590 Reference Materials (Continued)

A. Calculating Net Income (Continued)

8. Determining Student Income From Grants and Loans

Policy Basis: FSM 273.9(c)(3)

For each eligible student as defined in 273.5(b) do the following:

- a. Exclude any educational assistance from Title IV of the Higher Education Act and Bureau of Indian Affairs student assistance programs.

If a student receives assistance under a work study program, determine countable income in the same manner as for other assistance. If it is funded under Title IV, it is excluded. If it is not excluded, follow the procedures below. Any remaining income after all exclusions have been made is treated as earned income [273.9(c)(3)(iii)].

- b. Exclude any educational assistance made available (earmarked) for costs as described in 273.9(c){3}{ii}{A). Use the DSW 216 (Financial Aid Information Release) whenever possible. An alternative is a statement on the institutions letterhead.

If the student's assistance is from more than one source and the institution does not identify what source is earmarked for what costs, total the allowable expenses and deduct that amount from the non-excluded assistance.

Ex. Educational assistance from 4 sources for the school year (non-Title IV) is \$2000. According to the school, the student's expenses are \$1500, and no connection is made to the source of income. Deduct \$1500 from \$2000 for a balance of \$500.

- c. Exclude any remaining educational assistance the student could show was used for excludable expenses.

Ex. Of the student's remaining \$500, she anticipates spending \$300 on dependent care while she is in classes . She shows you her schedule and a statement from her babysitter, which document that \$300 is reasonable. Exclude the \$300.

- d. Divide the remaining educational assistance by the number of months the loans and grants are intended to cover.

Ex. The student's assistance was for the school year (September through May)so divide \$200 by 9. Enter \$22.22 on the STIN panel.